

**Honolulu Authority for Rapid Transportation**

**RESOLUTION NO. 2016-7**

**APPROVING NOTIFICATION TO THE CITY COUNCIL OF INTENTION TO ACQUIRE PERMANENT EASEMENT OVER, ON, AND ACROSS THE REAL PROPERTY IDENTIFIED AS TAX MAP KEYS 2-1-030-006, 2-1-030-007, 2-1-030-008, AND 2-1-030-009 (PORTIONS) BY EMINENT DOMAIN AND PUBLICATION OF A RESOLUTION AUTHORIZING ACQUISITION OF SAID EASEMENT BY EMINENT DOMAIN**

WHEREAS, the Honolulu Authority for Rapid Transportation (HART) has been established pursuant to Article XVII of the Revised Charter of the City and County of Honolulu 1973, as amended (Charter); and

WHEREAS, Section 17-103.2(b) of the Charter empowers HART "to acquire by eminent domain ... all real property or any interest therein necessary for the construction, maintenance, repair, extension or operation of the fixed guideway system;" and

WHEREAS, prior to such acquisition the Charter directs HART to submit a list of real property and easements to be acquired by eminent domain to the City Council; and

WHEREAS, the City Council may approve the acquisition by eminent domain or may object by adoption of a resolution within 45 days of the notification to acquire the real property and easements; and

WHEREAS, the acquisition by eminent domain of the permanent easement over, on, and across the real property identified as Tax Map Keys (TMKS) 2-1-030-006, 2-1-030-007, 2-1-030-008, and 2-1-030-009 (Portions) and more particularly described in the attached legal description marked as Exhibit A, is necessary for the Honolulu Rail Transit Project fixed guideway system, a valid public use and purpose;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of HART as follows:

1. That written notification to the City Council is approved, for the acquisition by eminent domain of the permanent easement over, on, and across the real property identified as TMKS 2-1-030-006, 2-1-030-007, 2-1-030-008, and 2-1-030-009 (Portions); and
2. That in the event the City Council approves or does not object to the acquisition within 45 days of notification, then HART is authorized to publish in a daily newspaper at least three days prior to Board action, the attached resolution marked as Exhibit B, authorizing acquisition by eminent domain of said easement.



ADOPTED by the Board of the Honolulu Authority for Rapid  
Transportation on FEB 18 2016.

Exhibit A – Legal description of TMKS 2-1-030-006, 2-1-030-007, 2-1-030-008,  
and 2-1-030-009 (Portions)

Exhibit B – Resolution No. 2016-\_\_, Authorizing the Acquisition of Permanent Easement  
Over, On, and Across the Real Property Identified as Tax Map Keys 2-1-  
030-006, 2-1-030-007, 2-1-030-008, and 2-1-030-009 (Portions) by Eminent  
Domain.

  
\_\_\_\_\_  
Board Chair

ATTEST:

  
\_\_\_\_\_  
Board Administrator



**HONOLULU RAIL TRANSIT PROJECT**

**EASEMENT 6  
(FOR GUIDEWAY PURPOSES)**

Affecting a Portion of Royal Patent 7429,  
Mahele Award 61 to B. Namakeha

Situate at Puuokapolei, Honuakaha, Honolulu, Oahu, Hawaii

Beginning at the North corner of this easement, along the Southwest side of Halekauwila Street, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUNCHBOWL" being 3,569.51 feet South and 3,850.68 feet West thence running by azimuths measured clockwise from true South:

1. 320° 30' 40.00 feet along the Southwest side of Halekauwila Street;
2. 50° 30' 5.25 feet along remainder of Royal Patent 7429, Mahele Award 61 to B. Namakeha;
3. 140° 30' 40.00 feet along same;
4. 230° 30' 5.25 feet along Lot 13, Block B-3, as delineated on Bishop Estate Map 1044A, to the point of beginning and containing an area of 210 Square Feet.



AUSTIN, TSUTSUMI & ASSOCIATES, INC.

Description Prepared By:

*Erik S. Kaneshiro* EXP 04/16

ERIK S. KANESHIRO

Licensed Professional Land Surveyor  
Certificate No. 9826

Honolulu, Hawaii  
February 8, 2016

TMK: (1) 2-1-030: 006

Y:\2014\14-068\SURVEY\Descriptions\PARCEL 461 - Easement 6.docx



**AUSTIN, TSUTSUMI & ASSOCIATES, INC.**

CIVIL ENGINEERS • SURVEYORS

501 SUMNER STREET, SUITE 521  
HONOLULU, HAWAII 96817-5031

1671 WILI PA LOOP, SUITE A  
WAILUKU, MAUI, HAWAII 96783

100 PALUANI STREET, SUITE 207  
HILO, HAWAII 96720

HONOLULU RAIL TRANSIT PROJECT

EASEMENT 7  
(FOR GUIDEWAY PURPOSES)

Affecting a Portion of Royal Patent 7429,  
Mahele Award 61 to B. Namakeha

Situate at Puokapolei, Honuakaha, Honolulu, Oahu, Hawaii

Beginning at the North corner of this easement, along the Southwest side of Halekauwila Street, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUNCHBOWL" being 3,600.38 feet South and 3,825.24 feet West thence running by azimuths measured clockwise from true South:

1. 320° 30' 30.00 feet along the Southwest side of Halekauwila Street;
2. 50° 30' 5.25 feet along remainder of Royal Patent 7429, Mahele Award 61 to B. Namakeha;
3. 140° 30' 30.00 feet along same;
4. 230° 30' 5.25 feet along remainder of Royal Patent 7429, Mahele Award 61 to B. Namakeha, to the point of beginning and containing an area of 158 Square Feet.



AUSTIN, TSUTSUMI & ASSOCIATES, INC.

Description Prepared By:

A handwritten signature in black ink, appearing to read "Erik S. Kaneshiro", written over a horizontal line.

ERIK S. KANESHIRO

Licensed Professional Land Surveyor  
Certificate No. 9826

Honolulu, Hawaii  
February 8, 2016

TMK: (1) 2-1-030: 007

Y:\2014\14-068\SURVEY\Descriptions\PARCEL 461 - Easement 7.docx



AUSTIN, TSUTSUMI & ASSOCIATES, INC.

501 SUMNER STREET, SUITE 521  
HONOLULU, HAWAII 96817-5031

CIVIL ENGINEERS • SURVEYORS  
1871 WILI PA LOOP, SUITE A  
WAILUKU, MAUI, HAWAII 96793

100 PALAHI STREET, SUITE 207  
HILO, HAWAII 96720

**HONOLULU RAIL TRANSIT PROJECT**

**EASEMENT 8  
(FOR GUIDEWAY PURPOSES)**

Affecting a Portion of Royal Patent 7429,  
Mahele Award 61 to B. Namakeha

Situate at Puokapolei, Honuakaha, Honolulu, Oahu, Hawaii

Beginning at the East corner of this easement, along the Southwest side of Halekauwila Street, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUNCHBOWL" being 3,623.53 feet South and 3,806.16 feet West thence running by azimuths measured clockwise from true South:

1. 320° 30' 28.00 feet along the Southwest side of Halekauwila Street;
2. 50° 30' 5.25 feet along remainder of Royal Patent 7429, Mahele Award 61 to B. Namakeha;
3. 140° 30' 28.00 feet along same;
4. 230° 30' 5.25 feet along remainder of Royal Patent 7429, Mahele Award 61 to B. Namakeha, to the point of beginning and containing an area of 147 Square Feet.



AUSTIN, TSUTSUMI & ASSOCIATES, INC.

Description Prepared By:

A handwritten signature in black ink, appearing to read "Erik S. Kaneshiro", with the word "Exp" and some initials written to the right.

ERIK S. KANESHIRO  
Licensed Professional Land Surveyor  
Certificate No. 9826

Honolulu, Hawaii  
February 8, 2016

TMK: (1) 2-1-030: 008

Y:\2014\14-068\SURVEY\Descriptions\PARCEL 461 - Easement 8.docx



**AUSTIN, TSUTSUMI & ASSOCIATES, INC.**

501 SUMNER STREET, SUITE 521  
HONOLULU, HAWAII 96817-5031

CIVIL ENGINEERS • SURVEYORS  
1871 WILI PA LOOP, SUITE A  
WAILUKU, MAUI, HAWAII 96793

100 PAUANI STREET, SUITE 207  
HILO, HAWAII 96720

**HONOLULU RAIL TRANSIT PROJECT**

**EASEMENT 9  
(FOR GUIDEWAY PURPOSES)**

Affecting a Portion of Royal Patent 7429,  
Mahele Award 61 to B. Namakeha

Situate at Puuokapolei, Honuakaha, Honolulu, Oahu, Hawaii

Beginning at the North corner of this easement, along the Southwest side of Halekauwila Street, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUNCHBOWL" being 3,645.13 feet South and 3,788.35 feet West thence running by azimuths measured clockwise from true South:

1. 320° 30' 26.00 feet along the Southwest side of Halekauwila Street;
2. 50° 30' 5.25 feet along remainder of Royal Patent 7429, Mahele Award 61 to B. Namakeha;
3. 140° 30' 26.00 feet along same;
4. 230° 30' 5.25 feet along remainder of Royal Patent 7429, Mahele Award 61 to B. Namakeha, to the point of beginning and containing an area of 137 Square Feet.



AUSTIN, TSUTSUMI & ASSOCIATES, INC.

Description Prepared By:

  
ERIK S. KANESHIRO  
Licensed Professional Land Surveyor  
Certificate No. 9826

Honolulu, Hawaii  
February 8, 2016

TMK: (1) 2-1-030: 009

Y:\2014\14-068\SURVEY\Descriptions\PARCEL 461 - Easement 9.docx



**AUSTIN, TSUTSUMI & ASSOCIATES, INC.**

CIVIL ENGINEERS • SURVEYORS

501 SUMNER STREET, SUITE 621  
HONOLULU, HAWAII 96817-5031

1871 WILI PA LOOP, SUITE A  
WAILUKU, MAUI, HAWAII 96783

100 PALAHI STREET, SUITE 207  
HILO, HAWAII 96720

**Honolulu Authority for Rapid Transportation**

**RESOLUTION NO. 2016-\_\_**

**AUTHORIZING THE ACQUISITION OF PERMANENT EASEMENT OVER, ON, AND ACROSS THE REAL PROPERTY IDENTIFIED AS TAX MAP KEYS 2-1-030-006, 2-1-030-007, 2-1-030-008, AND 2-1-030-009 (PORTIONS) BY EMINENT DOMAIN**

**WHEREAS, the Honolulu Authority for Rapid Transportation (HART) has been established pursuant to Article XVII of the Revised Charter of the City and County of Honolulu 1973, as amended (Charter); and**

**WHEREAS, Section 17-103.2(b) of the Charter empowers HART "to acquire by eminent domain . . . all real property or any interest therein necessary for the construction, maintenance, repair, extension or operation of the fixed guideway system;" and**

**WHEREAS, the City Council approved or did not object to the acquisition of the permanent easement over, on, and across the real property identified as Tax Map Keys (TMKS) 2-1-030-006, 2-1-030-007, 2-1-030-008, and 2-1-030-009 (Portions) by eminent domain after written notification by HART; and**

**WHEREAS, the acquisition by eminent domain of said permanent easement over, on, and across the above-identified real property, which is more particularly described in the attached legal description marked as Exhibit A, is necessary for the Honolulu Rail Transit Project fixed guideway system, a valid public use and purpose;**

**NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of HART as follows:**

- 1. That acquisition by eminent domain of the permanent easement over, on, and across the real property identified as TMKS 2-1-030-006, 2-1-030-007, 2-1-030-008, and 2-1-030-009 (Portions) is hereby authorized and the Corporation Counsel of the City and County of Honolulu is empowered to institute eminent domain proceedings as provided by law for the acquisition thereof; and**
- 2. That the acquisition of said easement by eminent domain is determined and declared to be for a valid public use and purpose as aforesaid; and**
- 3. That the acquisition of said easement by eminent domain is determined and declared to be necessary for the aforesaid public use and purpose; and**
- 4. That in the process of said proceedings in eminent domain, the Corporation Counsel is authorized and empowered to negotiate terms of settlement, subject to the approval of HART and/or the Court before which such proceedings are commenced; and**

5. That the Board Administrator be directed to transmit copies of this resolution to HART and the Department of the Corporation Counsel.

ADOPTED by the Board of the Honolulu Authority for Rapid Transportation on \_\_\_\_\_.

\_\_\_\_\_  
Board Chair

ATTEST:

\_\_\_\_\_  
Board Administrator

Exhibit A – Legal description of TMKS 2-1-030-006, 2-1-030-007, 2-1-030-008, and 2-1-030-009 (Portions)

RR

FF

**HONOLULU RAIL TRANSIT PROJECT**

**EASEMENT 6  
(FOR GUIDEWAY PURPOSES)**

Affecting a Portion of Royal Patent 7429,  
Mahele Award 61 to B. Namakeha

Situate at Puuokapolei, Honuakaha, Honolulu, Oahu, Hawaii

Beginning at the North corner of this easement, along the Southwest side of Halekauwila Street, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUNCHBOWL" being 3,569.51 feet South and 3,850.68 feet West thence running by azimuths measured clockwise from true South:

- 1. 320° 30' 40.00 feet along the Southwest side of Halekauwila Street;
- 2. 50° 30' 5.25 feet along remainder of Royal Patent 7429, Mahele Award 61 to B. Namakeha;
- 3. 140° 30' 40.00 feet along same;
- 4. 230° 30' 5.25 feet along Lot 13, Block B-3, as delineated on Bishop Estate Map 1044A, to the point of beginning and containing an area of 210 Square Feet.



AUSTIN, TSUTSUMI & ASSOCIATES, INC.

Description Prepared By:

*Erik S. Kaneshiro* EXP 04/16

**ERIK S. KANESHIRO**  
Licensed Professional Land Surveyor  
Certificate No. 9826

Honolulu, Hawaii  
February 8, 2016

TMK: (1) 2-1-030: 006  
Y:\2014\14-068\SURVEY\Descriptions\PARCEL 461 - Easement 6.docx



**AUSTIN, TSUTSUMI & ASSOCIATES, INC.**

CIVIL ENGINEERS • SURVEYORS

501 SUMNER STREET, SUITE 521  
HONOLULU, HAWAII 96817-5031

1871 WILI PA LOOP, SUITE A  
WAILUKU, MAUI, HAWAII 96783

100 PAUJAH STREET, SUITE 207  
HILO, HAWAII 96720

HONOLULU RAIL TRANSIT PROJECT

EASEMENT 7  
(FOR GUIDEWAY PURPOSES)

Affecting a Portion of Royal Patent 7429,  
Mahele Award 61 to B. Namakeha

Situate at Puuokapolei, Honuakaha, Honolulu, Oahu, Hawaii

Beginning at the North corner of this easement, along the Southwest side of Halekauwila Street, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUNCHBOWL" being 3,600.38 feet South and 3,825.24 feet West thence running by azimuths measured clockwise from true South:

- 1. 320° 30' 30.00 feet along the Southwest side of Halekauwila Street;
- 2. 50° 30' 5.25 feet along remainder of Royal Patent 7429, Mahele Award 61 to B. Namakeha;
- 3. 140° 30' 30.00 feet along same;
- 4. 230° 30' 5.25 feet along remainder of Royal Patent 7429, Mahele Award 61 to B. Namakeha, to the point of beginning and containing an area of 158 Square Feet.



AUSTIN, TSUTSUMI & ASSOCIATES, INC.

Description Prepared By:

*Erik S. Kaneshiro*  
 \_\_\_\_\_  
 ERIK S. KANESHIRO  
 Licensed Professional Land Surveyor  
 Certificate No. 9826

Honolulu, Hawaii  
February 8, 2016

TMK: (1) 2-1-030: 007  
Y:\2014\14-068\SURVEY\Descriptions\PARCEL 461 - Easement 7.docx



AUSTIN, TSUTSUMI & ASSOCIATES, INC.

**HONOLULU RAIL TRANSIT PROJECT**

**EASEMENT 8  
(FOR GUIDEWAY PURPOSES)**

Affecting a Portion of Royal Patent 7429,  
Mahele Award 61 to B. Namakeha

Situate at Puuokapolei, Honuakaha, Honolulu, Oahu, Hawaii

Beginning at the East corner of this easement, along the Southwest side of Halekauwila Street, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUNCHBOWL" being 3,623.53 feet South and 3,806.16 feet West thence running by azimuths measured clockwise from true South:

1. 320° 30' 28.00 feet along the Southwest side of Halekauwila Street;
2. 50° 30' 5.25 feet along remainder of Royal Patent 7429, Mahele Award 61 to B. Namakeha;
3. 140° 30' 28.00 feet along same;
4. 230° 30' 5.25 feet along remainder of Royal Patent 7429, Mahele Award 61 to B. Namakeha, to the point of beginning and containing an area of 147 Square Feet.



AUSTIN, TSUTSUMI & ASSOCIATES, INC.

Description Prepared By:

*Erik S. Kaneshiro* *Exp at file*

**ERIK S. KANESHIRO**  
Licensed Professional Land Surveyor  
Certificate No. 9826

Honolulu, Hawaii  
February 8, 2016

TMK: (1) 2-1-030: 008  
Y:\2014\14-068\SURVEY\Descriptions\PARCEL 461 - Easement 8.docx



**AUSTIN, TSUTSUMI & ASSOCIATES, INC.**

CIVIL ENGINEERS • SURVEYORS

501 SUMNER STREET, SUITE 521  
HONOLULU, HAWAII 96817-5031

1871 WIL PA LOOP, SUITE A  
WAILUKU, MAUI, HAWAII 96793

100 PALAHI STREET, SUITE 207  
HILO, HAWAII 96720

HONOLULU RAIL TRANSIT PROJECT

EASEMENT 9  
(FOR GUIDEWAY PURPOSES)

Affecting a Portion of Royal Patent 7429,  
Mahele Award 61 to B. Namakeha

Situate at Puuokapolei, Honuakaha, Honolulu, Oahu, Hawaii

Beginning at the North corner of this easement, along the Southwest side of Halekauwila Street, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUNCHBOWL" being 3,645.13 feet South and 3,788.35 feet West thence running by azimuths measured clockwise from true South:

- 1. 320° 30' 26.00 feet along the Southwest side of Halekauwila Street;
- 2. 50° 30' 5.25 feet along remainder of Royal Patent 7429, Mahele Award 61 to B. Namakeha;
- 3. 140° 30' 26.00 feet along same;
- 4. 230° 30' 5.25 feet along remainder of Royal Patent 7429, Mahele Award 61 to B. Namakeha, to the point of beginning and containing an area of 137 Square Feet.



AUSTIN, TSUTSUMI & ASSOCIATES, INC.

Description Prepared By:

A handwritten signature in black ink, appearing to read "Erik S. Kaneshiro".

ERIK S. KANESHIRO  
Licensed Professional Land Surveyor  
Certificate No. 9826

Honolulu, Hawaii  
February 8, 2016

TMK: (1) 2-1-030: 009  
Y:\2014\14-068\SURVEY\Descriptions\PARCEL 461 - Easement 9.docx



AUSTIN, TSUTSUMI & ASSOCIATES, INC.

# Honolulu Authority for Rapid Transportation

## STAFF SUMMARY

<b>TITLE:</b> <b>RESOLUTION NO. 2016-7 APPROVING NOTIFICATION TO THE CITY COUNCIL OF INTENTION TO ACQUIRE PERMANENT EASEMENT OVER, ON, AND ACROSS THE REAL PROPERTY IDENTIFIED AS TAX MAP KEYS 2-1-030-006, 2-1-030-007, 2-1-030-008, AND 2-1-030-009 (PORTIONS) BY EMINENT DOMAIN AND PUBLICATION OF A RESOLUTION AUTHORIZING ACQUISITION OF SAID EASEMENT BY EMINENT DOMAIN</b>	<b>STAFF CONTACT:</b> Jesse Souki Morris Atta	<b>DATE:</b> 02/18/2016
--	---	----------------------------

Type:	Goal	Focus Area	Reference Notes
<input checked="" type="checkbox"/> Action/Approval	<input checked="" type="checkbox"/> Project Delivery	<input checked="" type="checkbox"/> Livability/Land Use	
<input type="checkbox"/> Information	<input type="checkbox"/> Service Delivery	<input type="checkbox"/> Partnerships	
<input type="checkbox"/> Follow-up	<input checked="" type="checkbox"/> Resource Stewardship	<input type="checkbox"/> Agency Admin.	

### 1. Purpose:

Review of Notification to City Council for condemnation of land for public use, identified as Tax Map Keys 2-1-030-006, 2-1-030-007, 2-1-030-008, and 2-1-030-009 (Portions), and situated at 557 Halekauwila Street, 561 Halekauwila Street, 565 Halekauwila Street, and 569 Halekauwila Street, which is required for permanent easement purposes for the Honolulu Rail Transit Project (H RTP). This property, for which 652 square-foot permanent easement acquisition is required, is on the critical path for successful completion of the City Center Section of the H RTP. The property is owned by Hawaii State Federal Credit Union.

HART recommends use of eminent domain to acquire the property.

### 2. Background/Justification

This property (Tax Map Keys 2-1-030-006, 2-1-030-007, 2-1-030-008, and 2-1-030-009) was designated as needed for the H RTP and identified in the Final Environmental Impact Statement (FEIS). As required under the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA) and FTA C5010.1D, the Owners were notified of HART's intent to acquire the property. An appraisal was conducted following URA guidelines, which took into consideration all site conditions and potential impacts.

- An appraisal report with an effective date of April 29, 2015 was conducted.
- A Letter of Offer dated September 15, 2015 was delivered.
- Agent is communicating with owner's attorney but Owner has not provided a counteroffer or response to our Letter of Offer.

This parcel is being referred to eminent domain in order to adhere to the project construction timeline. Access to this parcel is needed as soon as possible in order to avoid costly delays to the project schedule and timing. Negotiations with the Owner will continue during the eminent domain process.

### 3. Procurement Background

N/A

### 4. Financial/Budget Impact

The project budget includes an estimated cost for legal action associated with the eminent domain of the property.



**5. Policy Impact**

There is no policy impact since this action conforms to the requirement of the URA, FTA 5010.1D and Article SVII of the Charter of the City and County of Honolulu.

**6. Public Involvement**

N/A

**7. Alternatives**

There is no feasible alternative to avoid the above described impacts to the property.

**8. Exhibits**

Exhibit 1 – Letter of Offer dated September 15, 2015.

Exhibit 2 – Appraisal Summary prepared by Yamaguchi & Yamaguchi, Inc. with an effective appraisal date of April 29, 2015.

**Certified and Recommended by:**



Executive Director and CEO

2/11/16

Date



RL2487



IN REPLY REFER TO:  
CMS-AP00ROW-01052

HONOLULU AUTHORITY for RAPID TRANSPORTATION

Daniel A. Grnbauskas  
EXECUTIVE DIRECTOR AND CEO

HAND-DELIVERED

September 15, 2015

*Handwritten signature*  
Received  
*Handwritten signature* 9/22/15  
Print Name Date

BOARD OF DIRECTORS

Donald G. Horner  
CHAIR

Damien T. K. Kim  
VICE CHAIR

George I. Atta  
Michael D. Formby  
Ford N. Fuchigami  
Colleen Hanabusa  
William "Buzz" Hong  
Terrence M. Lee  
Ivan M. Lui-Kwan

Ms. Cindy Ching  
Hawaii State Federal Credit Union  
565 Halekauwila Street  
Honolulu, Hawaii 96813

Dear Ms. Ching:

Subject: Honolulu Rail Transit Project (H RTP)  
557 Halekauwila Street; 561 Halekauwila Street; 565 Halekauwila Street;  
569 Halekauwila Street  
Parcel 461: Tax Map Keys (TMKS) 2-1-030-006; 2-1-030-007; 2-1-030-008;  
2-1-030-009 (Portions)  
Revised Letter of Offer

This letter serves as a revision to the previous Letter of Offer dated July 27, 2015. In that letter, a review of public records indicated that you are the Owner of Record of the property HART is seeking to acquire for this Project. HART offered to purchase a portion of your property, a total of 652 square feet, for permanent guideway easement purposes, for the total consideration of \$117,000 (One Hundred Seventeen Thousand Dollars). The area and type of permanent easement has not changed, only the compensation amount has been revised. The new appraisal report indicated a zoning change and with this zoning change, came a change in the valuation.

Based on our new findings as contained in the enclosed Statement of Just Compensation, HART offers to purchase a portion of your property, a total of 652 square feet, for permanent guideway easement purposes, for the new total consideration of \$130,000 (One Hundred Thirty Thousand Dollars), as shown colored in yellow on the enclosed map.

The new revised total offer for acquiring the interest in your property is \$130,000 (One Hundred Thirty Thousand Dollars). Costs incidental to closing escrow for this transaction will be paid by HART except prorated costs such as taxes and insurance.

The amount of offer is predicated on the assumption that there exists no hazardous substance, product, or waste on the subject property. Please be advised that the amount offered is subject to completion of an environmental site assessment by HART, and the cost to remediate any identified findings may affect the valuation of the subject property.

If this offer is acceptable, please sign the duplicate of this letter and return it in the enclosed envelope by October 14, 2015. The remaining copy is for your file. Enclosed for your information are the Appraisal Summary Statement and General Acquisition and Relocation Information Brochure. Also

Ms. Cindy Ching  
Page 2  
September 15, 2015

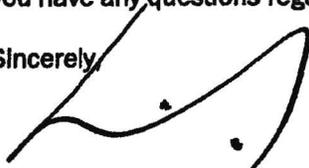
enclosed is a draft Possession and Use Agreement for your review, consideration, and for further discussion with your acquisition agent. The Possession and Use Agreement is intended to provide you early access to most of the purchase price of this acquisition subject to HART being provided access to the portion of your property required for construction of the H RTP with minimal risk to the Project. Under this agreement, your rights to the full just compensation amount are fully reserved and enforceable.

It is the desire of HART to acquire private property through voluntary purchase if possible. While HART has the power of eminent domain, HART has not sought the authority nor made any decision to exercise the power of eminent domain to acquire your property at this time.

In accordance with federal regulations affecting real property transactions, we request your cooperation in providing us with your Taxpayer Identification Number. Please execute and return the enclosed IRS Form W-9 at the same time. The W-9 is required by our Department of Budget and Fiscal Services to release the check.

HART has retained the services of Paragon Partners Ltd to assist you with the acquisition process. Please contact Mr. Jeremy Marlar at [jmarlar@paragon-partners.com](mailto:jmarlar@paragon-partners.com) or by telephone at 536-5900 if you have any questions regarding this matter.

Sincerely,



Daniel A. Grabauskas  
Executive Director and CEO

Enclosures

ACCEPTED:

HAWAII STATE FEDERAL CREDIT UNION

By \_\_\_\_\_  
Its

Print Name: \_\_\_\_\_

Dated: \_\_\_\_\_



**Yamaguchi &  
Yamaguchi, Inc.**  
Real Estate Appraisal &  
Consulting Services

**PROJECT**  
Honolulu Rail Transit Project

Parcel Designation: (1) 2-1-030-006, 007, 008, 009  
HART RW Parcel: 461  
Owner: Hawaii State FCU  
565 Halekauwila Street  
Honolulu, Hawaii 96813

**AN APPRAISAL REPORT OF**  
HCDA Civic Center Kakaako District  
Permanent Easement Acquisition

**CLIENT**  
Paragon Partners Ltd. for the Honolulu Authority for Rapid Transportation

**PREPARER**  
Jon F. Yamaguchi, CRE, FRICS, SRPA, SRA

**EFFECTIVE DATE OF APPRAISAL**  
April 29, 2015



**Yamaguchi &  
Yamaguchi, Inc.**  
Real Estate Appraisal &  
Consulting Services

June 24, 2015

Ms. Georgia Marquis  
Paragon Partners Ltd. for the Honolulu Authority for Rapid Transportation  
5762 Bolsa Ave., Suite 201  
Huntington Beach, CA 92649

Re: Honolulu Rail Transit Project  
HART RW Parcel 461  
Parcel Designation: TMK (1) 2-1-030-006, 007, 008, 009  
565 Halekauwila Street, Honolulu, Hawaii 96813

Dear Ms. Marquis,

At your request, we have appraised a real property interest for the above real estate. Our objective was to form one or more opinions about the market value for a 100% ownership interest in the subject property's fee simple estate assuming no liens or encumbrances other than normal covenants and restrictions of record.

The purpose of this appraisal report is to assist the Honolulu Authority for Rapid Transportation in the Permanent Easement Acquisition for Guideway Purposes to facilitate Eminent Domain proceedings of the subject property as part of the Honolulu Rail Transit Project.

As a preview, subject property consists of 12,265 square feet and zoned Civic Center Kakaako District. The parcels included are: 006: (3,120 square feet), 007: (2,815 square feet), 008: (3,140 square feet) and 009: (3,190 square feet) and for this appraisal the total square footage is 12,265 square feet as explained in the Larger Parcel Description in this report. Per our exterior observation and tax office records, Parcel 006, 007 and 008 is currently improved with an 8,000 square foot warehouse and office building structure originally built in 1990. Parcel 009 is a concrete paved parking lot used in conjunction with the larger parcel. The 8,000 square foot office and warehouse/open service area improvements consists of 2,000 square feet on the 1<sup>st</sup> level, 4,000 square feet on the 2<sup>nd</sup> level and 2,000 square feet on the 3<sup>rd</sup> level. These improvements are in relatively good physical condition and is currently used for operating an auto body and fender repair business. Except where otherwise noted, these improvements are not included in our valuation.

The permanent easement acquisition are easements 6, 7, 8 and 9 respectively along the property boundary frontage on Halekauwila Street consisting of a total of 652 square feet.

This valuation contains analyses, opinions, and conclusions along with market data and reasoning appropriate for the scope of work detailed later herein. It was prepared solely for the intended use and intended user(s) explicitly identified in the attached report. Unauthorized users do so at their own risk. The appraisal is communicated in the attached Appraisal report, and conforms to the version of the Uniform Standards of Professional Appraisal Practice (USPAP) in effect on this report's preparation date of June 24, 2015.

Exhibit 2

For purposes of this appraisal report the definition of market value from the fifth edition of the *Uniform Appraisal Standards for Federal Land Acquisitions* was utilized and is defined in the Market Value Criterion section of this report.

This letter is not an appraisal report hence it must not be removed from the attached 129-page report. If this letter is disjoined from the attached appraisal report, then the value opinions set forth in this letter are invalid because the analyses, opinions, and conclusions cannot be properly understood.

In general, valuation of the subject property involves no atypical issues. All value opinions are affected by all the information, extraordinary assumptions, hypotheses, general limiting conditions, facts, descriptions, and disclosures stated in the attached appraisal report. After careful consideration of all factors pertaining to and influencing value, the data and analysis thereof firmly supports the following final value opinion(s) for the subject property permanent easement as of April 29, 2015:

\$ 2,720,000	<i>"As Is" Indicated Market Value of the Larger Parcel</i>
\$ 2,590,000	<i>"As Is" Indicated Market Value of the Remainder Parcel</i>
\$ 130,000	<i>"As Is" Indicated Market Value of the Permanent easement acquisition (90%)</i>
\$ 130,000	<i>"As Is" Indicated Market Value of the Permanent easement acquisition (Rounded)</i>
\$ 0	<i>Add: Total Severance Damages to the Remainder Property</i>
\$ 0	<i>Less: Special Benefits to the Remainder Property</i>
\$ 0	<i>Add: Contributory Value</i>
\$ 130,000	<i>Total Fair Market Value of the Permanent easement acquisition (Rounded)</i>

Thank you for your business. Let us know how we may further serve you.



Jon F. Yamaguchi, CRE, FRICS, SRPA, SRA  
President / CEO  
Certified General Appraiser  
Hawaii License CGA 31  
License Expiration Date: 12/31/2015

